

DRAFT 2 (with nautical mileage)

Proposed Changes to Substantive Policy Statement 13 regarding use of aircraft and automobiles.

March 30, 2006

13. Use of Privately-Owned Airplanes; Motor Vehicle; Accommodations.

In all situations, a candidate committee that uses airplane travel for a direct campaign purpose must report the expenditure or report the value of the in-kind contribution for the travel. In-kind contributions shall not exceed the individual or personal contribution limits. A private pilot may donate the use of his or her time without requiring compensation.

A. Private Flights. If a~~A~~ candidate, candidate's agent, or person traveling on behalf of a candidate ~~who~~ uses an airplane that is owned or leased by the candidate, ~~another person, or charter airplane company~~or a private pilot, that candidate's campaign committee shall reimburse the owner or leaseholder for the value of the travel and report the expenditure, or report the value of the in-kind contribution for the travel:

1. In the case of travel to a city served by regularly scheduled commercial service, then the lowest non-discounted coach airfare for each candidate, candidate family member, and/or campaign staffer on the flight; or;
2. In the case of travel to a city not served by a regularly scheduled commercial service, the charter rate comparable to the service provided under existing Arizona state contracts with charter airplane companies;
or
3. Alternatively, the campaign may reimburse the owner (if a candidate or a volunteer) at either the state mileage reimbursement rate for airplane travel per nautical mile, or for the current publicly available rental rate of the actual model of airplane used for travel, along with any applicable fees for gasoline, holding fees, etc. ~~Those amounts are available attached. In all situations, a candidate's campaign must reimburse the owner or leaseholder for the use of an airplane. A pilot may donate the use of his or her time without requiring compensation. The itinerary required to be prepared for all campaign travels via private aircraft shall note whether the pilots were compensated or volunteers.~~
4. If the owner believes he or she is precluded by F.A.A. regulations from accepting all or part of the reimbursement, the campaign committee may instead pay the permitted cost reimbursement to the owner, and remit any impermissible amount remaining from the value of the travel to the Clean Elections Fund.

B. Commercial/Charter Flights. If a commercial or charter service is used by the campaign, then the campaign must pay full market value for the flight. Such costs shall include any additional incidental costs including, but not limited to, hourly flight rates, hourly holding fees, ramp fees, handling fees, catering costs, taxes, and other applicable fees.

C. State Vehicles. A candidate who uses state aircraft or automobiles for campaign purposes shall pay the state mileage reimbursement rate or daily rental rate (if applicable) for travel allocable to the campaign. If payment to the State is not possible, the payment shall be remitted to the Clean Elections Fund. The state reimbursement rate for the 2006 election cycle is 99.5 cents per nautical mile for aircraft and 40.5 cents per mile for automobiles.

D. All campaign use of aircraft (except commercial flights) requires the preparation of an itinerary. The itinerary shall show the time of arrival and departure, nautical mileage, the name and type of event(s) attended, a list of all passengers on the trip, and an indication as to whether the pilots were volunteering their services. If payment for the flight is based on currently available retail rental rates or the value of regularly scheduled commercial service, the itinerary shall include copies of any documentation that the referenced prices were available on the date of service (i.e. copies of commercial ticket prices for the particular service and date). Treasurers shall keep a copy of the itinerary, related attachments and receipts for their records for 3 years.

- ~~B. A candidate, candidate's agent, or person traveling on behalf of a candidate who uses a motor vehicle, which is owned or leased by the candidate or another person or organization, must reimburse the candidate, person or organization respectively at the normal and usual rental charge of the transportation. The normal and usual reasonable rental charge shall be at least 10¢ per mile, which shall be paid from the candidate's campaign account. If the candidate fails to reimburse the owner or leaseholder for the use of the motor vehicle within 30 calendar days of the travel, then the value of the use of the motor vehicle is an in-kind contribution to the candidate's campaign and shall be assessed as the per-mile reimbursement amount allowed to state employees at the time by the Arizona Department of Administration.~~
- ~~C. If any individual, including a candidate, uses accommodations, including lodging and meeting rooms, during campaign-related travel, and the accommodations are paid for by another person, the candidate's authorized committee shall pay the person an amount equal to the usual and normal charge for the accommodations, and shall maintain documentation supporting the amount paid.~~

~~CHARTER AIRPLANE RATES ON ARIZONA STATE CONTRACT~~

~~Commission staff researched both state and federal travel law to arrive at its recommendation for travel policies. State employees that choose to travel in state via aircraft must arrange their own travel through one of the private charter flight companies that is on contract with the State Procurement Office. Staff contacted two of these aircraft charter companies to determine a reasonable range of cost for airline travel, and gathered the following information:~~

| Company Name | Flight | Aircraft | Flight Time | Cost |
|---------------------------------------|----------------------------|-----------------------------|------------------------|---|
| Southwest Aircraft Charter | Phoenix to Yuma | 6-seat twin prop | 1-hour | \$990 plus \$45/hour holding |
| | Phoenix to | 9-seat twin | 1½ | \$2,335 plus |

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|---------------------------------|-----------------------|----------------------|----------|--|
| Falcon Executive Aviation | Yuma | turbo | 1 hour | \$45/hour plus holding |
| | Phoenix to Kingman | 9-seat twin turbo | 1 hour | \$2,406 plus \$45/hour plus holding |
| | Phoenix to Page | 6-seat twin prop | 1 hour | \$1,342 plus \$45/hour plus holding |
| | Phoenix to Page | 9-seat twin turbo | 1 hour | \$2,747 plus \$45/hour plus holding |
| | Mesa to Yuma | 7-seat twin turbo | 1½ hours | \$1,512 plus \$45/hour plus holding |
| | Mesa to Kingman | 7-seat twin turbo | 1 hour | \$1,530 plus \$45/hour plus holding |
| | Mesa to Page | 7-seat twin turbo | 2 hours | \$1,962 plus \$45/hour plus holding |
| | Mesa to Tucson | 7-seat twin turbo | 1 hour | \$1,026 plus \$45/hour plus holding |
| | Mesa to Flagstaff | 7-seat twin turbo | 1 hour | \$1,098 plus \$45/hour plus holding |

In general, aircraft charter companies charge an hourly flight rate, an hourly holding fee, any applicable ramp, handling and catering fees, and applicable tax.

Staff used Federal regulations for candidates for federal elections to determine reimbursement procedures for the use of a privately owned airplane. Staff also used these regulations to determine travel documentation requirements for candidates and the procedure for determining the cost per person. (Adopted April 30, 2002, updated August 2003 and March xx, 2006)